



Company No. 198600740M

ADVANCED SYSTEM AUTOMATION LIMITED AND ITS SUBSIDIARIES

Condensed Interim Financial Statements For the Six Months and Full Year Ended 31 December 2022

*This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited ("**Sponsor**"). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.*

The contact person for the Sponsor is Ms Tay Sim Yee (Tel: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022

	Note	Group					
		6 months ended			12 months ended		
		31 Dec 22	31 Dec 21	change	31 Dec 22	31 Dec 21	change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%	
Continuing operations							
Revenue	5	6,061	8,814	(31)	15,042	18,990	(21)
Cost of sales		(4,273)	(6,229)	(31)	(10,251)	(13,295)	(23)
Gross profit		1,788	2,585	(31)	4,791	5,695	(16)
Other income		34	24	42	80	67	19
Other expense							
Selling and marketing costs		(425)	(529)	(20)	(848)	(1,017)	(17)
General and administrative costs		(1,577)	(2,098)	(25)	(3,496)	(4,328)	(19)
Other income/(expenses), net		128	(317)	NM	234	(218)	NM
Finance costs, net		(289)	(190)	52	(477)	(374)	28
(Loss)/profit before tax from continuing operations	6	(341)	(525)	(35)	284	(175)	NM
Income tax credits/(expense)	7	49	(278)	NM	(261)	(602)	(57)
(Loss)/profit from continuing operations, net of tax		(292)	(803)	(64)	23	(777)	NM
Discontinued operations							
Profit from discontinued operations, net of tax	8	-	-	NM	-	533	NM
(Loss)/profit for the year		(292)	(803)	(64)	23	(244)	NM
Attributable to:							
Owners of the Company							
- Continuing operations		(292)	(803)	(64)	23	(777)	NM
- Discontinued operations		-	-	NM	-	533	NM
(Loss)/profit for the year		(292)	(803)	(64)	23	(244)	NM
Loss per share from continuing operations attributable to owners of the Company (cents per share)							
Basic and diluted	9	(0.001)	(0.004)		NM	(0.003)	
Loss per share (cents per share)							
Basic and diluted	9	(0.001)	(0.004)		NM	(0.001)	

NM: Not meaningful

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022

	Group					
	6 months ended			12 months ended		
	31 Dec 22	31 Dec 21	change	31 Dec 22	31 Dec 21	change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
(Loss)/profit for the year	(292)	(803)	(64)	23	(244)	NM
Other comprehensive income items that may be reclassified subsequently to profit or loss						
Foreign currency translation	<u>(284)</u>	12	NM	<u>(516)</u>	(87)	>100
Total comprehensive income for the year	<u>(576)</u>	<u>(791)</u>	(27)	<u>(493)</u>	<u>(331)</u>	49
Attributable to:						
Owners of the Company						
- Continuing operations	<u>(576)</u>	(791)	(27)	<u>(493)</u>	(864)	(43)
- Discontinued operations	<u>-</u>	-	NM	<u>-</u>	533	NM
Total comprehensive income for the year	<u>(576)</u>	<u>(791)</u>	(27)	<u>(493)</u>	<u>(331)</u>	49

NM: Not meaningful

CONDENSED BALANCE SHEETS

AS AT 31 DECEMBER 2022

	Note	Group		Company	
		31 Dec 22 S\$'000	31 Dec 21 S\$'000	31 Dec 22 S\$'000	31 Dec 21 S\$'000
Non-Current Assets					
Property, plant and equipment	10	7,016	7,771	-	-
Right-of-use assets		404	231	-	-
Intangible assets	11	2,131	2,481	-	120
Investment in subsidiaries	12	-	-	13,422	13,422
		<u>9,551</u>	<u>10,483</u>	<u>13,422</u>	<u>13,542</u>
Current Assets					
Inventories		1,010	974	-	-
Trade and other receivables		2,273	4,709	178	115
Contract assets		19	-	-	-
Prepayments and advances		172	94	13	21
Cash at bank and on hand		4,426	3,151	375	138
Tax recoverable		229	96	-	-
		<u>8,129</u>	<u>9,024</u>	<u>566</u>	<u>274</u>
Current Liabilities					
Other liabilities	13	1,518	2,791	532	1,454
Trade and other payables	14	6,147	14,709	6,530	14,182
Contract liabilities		122	164	-	-
Income tax payable		110	191	-	-
Lease liabilities		159	110	-	-
Bank overdraft	15	748	799	-	-
Loans and borrowings	15	839	936	-	-
		<u>9,643</u>	<u>19,700</u>	<u>7,062</u>	<u>15,636</u>
Net Current Liabilities		(1,514)	(10,676)	(6,496)	(15,362)
Non-Current Liabilities					
Trade and other payables	14	8,838	-	8,838	-
Lease liabilities		159	31	-	-
Loans and borrowings	15	1,354	1,572	-	-
Deferred tax liabilities		412	437	-	-
		<u>10,763</u>	<u>2,040</u>	<u>8,838</u>	<u>-</u>
Net Liabilities		(2,726)	(2,233)	(1,912)	(1,820)
Equity attributable to owners of the Company					
Share capital	17	148,841	148,841	148,841	148,841
Foreign currency translation reserves	18	(544)	(28)	-	-
Merger reserves	18	(2,136)	(2,136)	-	-
Accumulated losses		(148,887)	(148,910)	(150,753)	(150,661)
Total Equity		(2,726)	(2,233)	(1,912)	(1,820)

CONDENSED STATEMENTS OF CHANGES IN EQUITY

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022

Group	Attributable to equity holders of the Company					
	Share capital	Accumulated losses (Distributable)	Foreign currency translation reserve	Merger reserve	Total reserves	Total equity
			(Non-distributable)			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2022	148,841	(148,910)	(28)	(2,136)	(2,164)	(2,233)
Profit for the year	-	23	-	-	-	23
<u>Other comprehensive income</u>						
Foreign currency translation	-	-	(516)	-	(516)	(516)
Other comprehensive income net of tax	-	-	(516)	-	(516)	(516)
Total comprehensive income for the year	-	23	(516)	-	(516)	(493)
At 31 December 2022	148,841	(148,887)	(544)	(2,136)	(2,680)	(2,726)
At 1 January 2021	148,841	(148,666)	59	(2,136)	(2,077)	(1,902)
Loss for the year	-	(244)	-	-	-	(244)
<u>Other comprehensive income</u>						
Foreign currency translation	-	-	(87)	-	(87)	(87)
Other comprehensive loss net of tax	-	-	(87)	-	(87)	(87)
Total comprehensive loss for the year	-	(244)	(87)	-	(87)	(331)
At 31 December 2021	148,841	(148,910)	(28)	(2,136)	(2,164)	(2,233)

CONDENSED STATEMENTS OF CHANGES IN EQUITY

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022

Company	Attributable to equity holders of the Company		
	Share capital S\$'000	Accumulated losses S\$'000	Total equity S\$'000
At 1 January 2022	148,841	(150,661)	(1,820)
Loss for the year	-	(92)	(92)
Total comprehensive loss for the year	-	(92)	(92)
At 31 December 2022	148,841	(150,753)	(1,912)
At 1 January 2021	148,841	(148,320)	521
Loss for the year	-	(2,341)	(2,341)
Total comprehensive loss for the year	-	(2,341)	(2,341)
At 31 December 2021	148,841	(150,661)	(1,820)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Group	
	12 months ended	
	31 Dec 22	31 Dec 21
	S\$'000	S\$'000
Operating activities		
Profit/(loss) before tax from continuing operations	284	(175)
Profit before tax from discontinued operations	-	533
	<u>284</u>	<u>358</u>
Adjustments for:		
Effect of unrealised exchange gain	(296)	(34)
Depreciation of property, plant and equipment from continuing operations	935	852
Depreciation of right-of-use assets from continuing operations	144	221
Gain on disposal of property, plant and equipment from continuing operations	(82)	(43)
Gain on disposal of intangible assets	(10)	-
Impairment on property, plant and equipment from continuing operations	-	223
Amortisation of intangible assets from continuing operations	230	229
Write-back of intangible asset	-	(56)
(Write-back of)/allowance for trade receivables net from continuing operations	(39)	25
Impairment on other receivables net from continuing operations	-	95
Write-back of stock obsolescence from continuing operations	(12)	(16)
Inventories written-down from discontinued operations	-	18
Interest income from continuing operations	(6)	(1)
Interest expenses from continuing operations	464	361
Gain on disposal of a subsidiary	-	(575)
	<u>1,612</u>	<u>1,657</u>
Changes in working capital		
Decrease/(increase) in inventories	(79)	(369)
Decrease/(increase) in trade and other receivables	2,217	(1,458)
(Decrease)/increase in trade and other payables, contract liabilities and other liabilities	(1,227)	1,134
	<u>2,523</u>	<u>964</u>
Cash flows generated from operations		
Interest received	6	1
Interest paid	(130)	(391)
Income tax paid	(495)	(129)
	<u>1,904</u>	<u>445</u>
Net cash flows generated from operating activities		
Investing activities		
Purchase of property, plant and equipment	(605)	(1,413)
Proceeds from disposal of property, plant and equipment	89	43
Proceeds from disposal of intangible assets	130	-
Cash and cash equivalent in subsidiary disposed off	-	(9)
Cash consideration received from disposal of subsidiary	-	100
	<u>(386)</u>	<u>(1,279)</u>
Net cash flows used in investing activities		
Financing activities		
Payment of principal portion of lease liabilities	(144)	(406)
Repayment of bank borrowings	(1,024)	(289)
Proceeds from bank borrowings	758	558
Loan from related party	-	1,000
	<u>(410)</u>	<u>863</u>
Net cash flows (used in)/generated from financing activities		
Net increase in cash and cash equivalents		
Effects of exchange rate changes on cash and cash equivalents	218	21
Cash and cash equivalents at beginning of the year	2,352	2,302
	<u>3,678</u>	<u>2,352</u>
Cash and cash equivalents at end of the year		
Consolidated cash and bank balances represented by		
Cash at bank and on hand	4,426	3,151
Bank overdraft	(748)	(799)
	<u>3,678</u>	<u>2,352</u>
Cash and cash equivalents at end of the year		

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022

1. CORPORATE INFORMATION

Advanced Systems Automation Limited (the “Company”) was incorporated and domiciled in Singapore on 10 April 1986. The Company was admitted to the Official List of Stock Exchange of Singapore Dealing and Automated Quotation System on 22 July 1996 and was transited to a listing on Catalist with effect from on 4 January 2010. These condensed consolidated financial statements as at and for the six months and full year ended 31 December 2022 comprise the Company and its subsidiaries (collectively, the “Group”).

The registered office of the Company and principal place of the business is located at 33 Ubi Avenue 3 #08-69, Vertex, Singapore 408868.

The principal activity of the Company is investment holding. There have been no significant changes in the nature of the activity during the financial year.

The principal activities of the subsidiaries are disclosed in Note 12.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The condensed financial statements for the six months and full year ended 31 December 2022 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed consolidated financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.2.

The condensed financial statements are presented in Singapore Dollars (SGD or S\$) which is the company’s functional currency and all values in the tables are rounded to the nearest thousand (S\$’000), except when otherwise indicated.

Going concern assumption

As at 31 December 2022, the Group had net current liabilities of S\$1,514,000 (2021: S\$10,676,000) and the Group recorded a net profit of S\$23,000 (2021: net loss S\$244,000) for the financial year ended 31 December 2022.

Notwithstanding the above, the financial statements have been prepared on a going concern basis as the Directors are confident that the Group will generate positive cashflows based on a cash flow projection that was prepared.

In addition, the ability of the Group and the Company to continue as a going concern is dependent on:

- (i) Certain shareholders having given letters of undertaking not to recall the amounts due to them to enable the Group and the Company to continue operations for the next twelve months from the date of the financial statements for the year ended 31 December 2022 (“FY2022”).
- (ii) The ability of the Company to make instalment payments of S\$2,000,000 to a related party and S\$400,000 to a shareholder in March 2023 and April 2023 respectively.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (Cont'd)

Going concern uncertainty (cont'd)

Based on the above, the Directors have assessed and are of the view that it is appropriate that the financial statements of the Group and Company be prepared on a going concern basis.

If the Group and the Company are unable to continue in operational existence for the foreseeable future, the Group and the Company may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the balance sheet. In addition, the Group and the Company may have to reclassify non-current assets and liabilities as current assets and liabilities. No such adjustments have been made to these financial statements.

Discontinued operations

In 2020, the Group had announced their plan to dispose of Microfits Pte. Ltd. ("MPL") and the disposal was completed on 20 January 2021. Accordingly, the results of MPL have been separately presented in the consolidated income statement for the year then ended as "Profit from discontinued operations, net of tax". See Note 8 for more details.

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are mandatorily effective for annual financial year beginning on or after 1 January 2022. The adoption of these standards did not have any material effect on the financial performance or position of the Group and the Company.

- Amendments to SFRS(I) 3, SFRS(I) 1-16 and SFRS(I) 1-37
- Amendments to SFRS(I) 9 *Financial Instruments*

The Group has not early applied new and revised SFRSs that have been issued but not yet mandatorily effective for the year beginning 1 January 2022.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2021.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future years affected.

4. SEASONAL OPERATIONS

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial year.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022

5. REVENUE

Group	Equipment Contract Manufacturing Services ("ECMS")			
	6 months ended		12 months ended	
	31 Dec 22	31 Dec 21	31 Dec 22	31 Dec 21
	S\$'000	S\$'000	S\$'000	S\$'000
Primary geographical markets				
Asia	5,937	8,351	14,666	17,553
North America	35	211	62	1,017
Others	89	252	314	420
	6,061	8,814	15,042	18,990
Timing of transfer of goods or services	6,061	8,814	15,042	18,990

6. PROFIT/(LOSS) BEFORE TAX

The following significant items have been included in arriving at profit/(loss) before tax: -

	Group			
	6 months ended		12 months ended	
	31 Dec 22	31 Dec 21	31 Dec 22	31 Dec 21
	S\$'000	S\$'000	S\$'000	S\$'000
Continuing operations				
Depreciation of property, plant and equipment	(453)	(437)	(935)	(852)
Depreciation of right-of-use assets	(71)	(112)	(144)	(221)
Gain on disposal of property, plant and equipment	82	26	82	43
Gain on disposal of intangible assets	10	-	10	-
Impairment loss on property, plant and equipment	-	(223)	-	(223)
Amortisation of intangible assets	(115)	(114)	(230)	(229)
Interest expenses	(286)	(183)	(464)	(361)
Interest income	5	-	6	1
Write-back of /(allowance for) trade receivables	39	(49)	39	(25)
Allowance for other receivables	-	(95)	-	(95)
Write-back of stock obsolescence	2	3	12	16
Discontinued operations				
Gain on disposal of a subsidiary	-	-	-	575
Inventories written-down	-	-	-	(18)

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022

7. INCOME TAX EXPENSE

	Group			
	6 months ended		12 months ended	
	31 Dec 22	31 Dec 21	31 Dec 22	31 Dec 21
	S\$'000	S\$'000	S\$'000	S\$'000
Current income tax - continuing operations: -				
Current income tax	(35)	(267)	(373)	(604)
Over provision in respect of prior year	97	13	97	12
	62	(254)	(276)	(592)
Deferred income tax - continuing operations: -				
Origination and reversal of temporary difference	(32)	(14)	(24)	(20)
Over/(Under) provision in respect of prior year	19	(10)	39	10
	(13)	(24)	15	(10)
Income tax credit/(expense) recognised in profit and loss	49	(278)	(261)	(602)

8. DISCONTINUED OPERATIONS AND DISPOSAL GROUP CLASSIFIED AS ASSETS HELD FOR SALE

On 29 February 2020, the Company announced that it has entered into a letter of intent to explore, with a potential buyer, on the proposed disposal of the entire issued and paid-up share capital of Microfits Pte. Ltd. ("MPL"). Thereafter, on 31 October 2020 the Company entered into a sale and purchase agreement in relation to the proposed disposal. The proposed disposal was completed on 20 January 2021.

Balance sheet disclosures

The major classes of assets and liabilities of MPL classified as held for sale for year ended 30 June 2021 are S\$Nil as the disposal was completed on 20 January 2021.

Income statement disclosures

The results of MPL for the year ended 30 December 2021 are presented as follows:

	31 Dec 21
	S\$'000
Revenue	57
Cost of sales	(47)
Gross profit	10
Other income	6
Selling and marketing costs	(24)
Research and development costs	(16)
General and administrative costs	(18)
Gain on disposal of subsidiary	575
Profit before taxation from discontinued operation	533
Income tax expense	-
Profit from discontinued operation, net of tax	533

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022

9. EARNINGS/(LOSS) PER SHARE

Basic and diluted loss per share is calculated by dividing the loss for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share are calculated by dividing profit for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares for diluted earnings per share computation respectively.

The following tables reflect the income and share data used in the computation of basic and diluted loss per share for the end of the year.

Group	31 Dec 22 S\$'000	31 Dec 21 S\$'000
Profit/(loss) for the year attributable to owners of the Company from continuing operations used in the computation of basic and diluted earnings per ordinary share	<u>23</u>	<u>(777)</u>
Profit for the year attributable to owners of the Company from discontinued operations used in the computation of basic and diluted earnings per ordinary share	<u>-</u>	<u>533</u>
Profit/(loss) for the year attributable to owners of the Company used in the computation of basic and diluted earnings per ordinary share	<u>23</u>	<u>(244)</u>
Weighted average number of ordinary shares in issue applicable to basic and diluted earnings per share computation (no. of shares, in '000s)	<u>22,324,126</u>	<u>22,324,126</u>

10. PROPERTY, PLANT AND EQUIPMENT

During the year ended 31 December 2022, the Group has an addition of property, plant and equipment of approximately S\$605,000 (31 December 2021: S\$1,413,000) and disposed of property, plant and equipment amounting to S\$321,000 (31 December 2021: S\$238,000).

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022

11. INTANGIBLE ASSETS

Group	Goodwill S\$'000	Club memberships S\$'000	Customer relationships S\$'000	Total S\$'000
Cost				
At 1 January 2021, 1 January 2022	1,462	197	1,607	3,266
Disposal	-	(197)	-	(197)
At 31 December 2022	1,462	-	1,607	3,069
Accumulated amortisation and impairment loss				
At 1 January 2021	-	133	479	612
Write back	-	(56)	-	(56)
Charge for the year	-	-	229	229
At 1 January 2022	-	77	708	785
Disposal	-	(77)	-	(77)
Charge for the year	-	-	230	230
At 31 December 2022	-	-	938	938
Net carrying amount				
At 31 December 2021	1,462	120	899	2,481
At 31 December 2022	1,462	-	669	2,131

Club memberships

Company	Club memberships S\$'000
Cost	
At 31 December 2021, 1 January 2022	197
Disposal	(197)
At 31 December 2022	-
Accumulated amortisation and impairment loss	
At 31 December 2021, 1 January 2022	77
Disposal	(77)
At 31 December 2022	-
Net carrying amount	
At 31 December 2021	120
At 31 December 2022	-

Customer relationships

Customer relationships have remaining amortisation period of 3 years (2021: 4 years). The amortisation of customer relationships is included in the "selling and marketing costs" line item in the consolidated income statement.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022

12. INVESTMENTS IN SUBSIDIARIES

	Company	
	31 Dec 22 S\$'000	31 Dec 21 S\$'000
Unquoted shares, at cost	13,746	15,746
Impairment losses	(324)	(324)
Disposals	-	(2,000)
	13,422	13,422

The Group has the following significant investment in subsidiaries: -

Name of company (Principal place of business)	Principal activities	Proportion of ownership interest	
		31 Dec 22 %	31 Dec 21 %
Held by the Company			
² Emerald Precision Engineering Sdn. Bhd. (Malaysia)	Fabrication of tooling, dies and related moulding of spare parts and other related businesses	100	100
¹ Pioneer Venture Pte Ltd (Singapore)	Contract manufacturing solutions of fabricated metal products	100	100
² Yumei Technologies Sdn. Bhd. (Malaysia)	Manufacturing of die-casting products	100	100
² Yumei REIT Sdn. Bhd. (Malaysia)	Investment holding	100	100

The above list excludes subsidiaries that are insignificant to the operations of the Group.

¹ Audited by Mazars LLP, Singapore.

² Audited by member firms of Mazars PLT.

13. OTHER LIABILITIES

	Group		Company	
	31 Dec 22 S\$'000	31 Dec 21 S\$'000	31 Dec 22 S\$'000	31 Dec 21 S\$'000
Amounts due to shareholder and director	196	997	196	997
Accrued operating expenses	1,322	1,794	336	457
	1,518	2,791	532	1,454

Amounts due to shareholders and directors

The amounts due shareholders and directors are unsecured, interest-free, repayable on demand and are to be settled in cash. On 13 June 2022, the Group has entered into a Settlement Agreement that converted the amount due to a shareholder amounting to \$997,000 into an interest-bearing loan.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022

14. TRADE AND OTHER PAYABLES

	Group		Company	
	31 Dec 22 S\$'000	31 Dec 21 S\$'000	31 Dec 22 S\$'000	31 Dec 21 S\$'000
Trade and other payables:				
Current:				
Trade payables	776	1,682	50	106
Other creditors	53	372	-	167
Deferred cash settlement	1,597	1,597	1,597	2,327
Loan from a shareholder	400	901	400	901
Amounts due to subsidiaries (non-trade)	-	-	1,166	524
Amounts due to related parties (non-trade)	3,321	10,157	3,317	10,157
	6,147	14,709	6,530	14,182
Non-current:				
Loan from a shareholder	1,559	-	1,559	-
Amounts due to related parties (non-trade)	7,279	-	7,279	-
	8,838	-	8,838	-
Total current and non-current trade and other payables:	14,985	14,709	15,368	14,182
Add:				
- Other liabilities (Note 13)	1,518	2,791	532	1,454
- Loans and borrowings (Note 15)	2,941	3,307	-	-
- Lease liabilities	318	141	-	-
Total financial liabilities carried at amortised cost	19,762	20,948	15,900	15,636

Trade payables

Trade payables are non-interest bearing. Trade payables are normally settled on 30 – 120 days' terms.

Amounts due to subsidiaries

The amounts due to subsidiaries are unsecured, interest-free, repayable on demand and are to be settled in cash except for outstanding balance of S\$400,000 (2021: S\$500,000) which bears effective interest rate ranging from 1.99% to 4.63% (2021: 3.01% to 3.03%) per annum, is repriced on a quarterly basis.

Loan from a shareholder

Loan from a shareholder of the Company, is unsecured, repayable on demand and to be settled in cash for which S\$800,000 (2021: S\$800,000) bears an interest of 5% (2021: 5%) per annum and S\$997,000 (2021: S\$Nil) bears an interest rate ranging from 1.99% to 4.63% (2021: 3.01% to 3.03%) per annum, is repriced on a quarterly basis.

Amounts due to related parties

Amounts due to related parties (non-trade) are interest free, unsecured, repayable on demand and to be settled in cash except for an outstanding balance of S\$8,939,000 (2021: S\$7,901,000) which bears effective interest rates ranging from 1.99% to 3.46% (2021: 3.00% to 3.03%) per annum, repriced on a quarterly basis.

Deferred cash settlement

This relates to an amount owing to Mr. Seah Chong Hoe (shareholder, director and Chief Executive Officer of the Company) upon the acquisition of subsidiaries. This amount is interest free, unsecured and repayable on demand.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022

15. LOANS AND BORROWINGS

	Group		Company	
	31 Dec 22 S\$'000	31 Dec 21 S\$'000	31 Dec 22 S\$'000	31 Dec 21 S\$'000
Current:				
<u>Amount repayable within one year or on demand</u>				
Bank Overdraft - secured	748	799	-	-
Trust receipts - secured	95	260	-	-
Secured loan	544	481	-	-
Unsecured loan	200	195	-	-
	1,587	1,735	-	-
Non-current:				
<u>Amount repayable after one year</u>				
Secured loan	956	973	-	-
Unsecured loan	398	599	-	-
	1,354	1,572	-	-
Total financial liabilities carried at amortised cost	2,941	3,307	-	-

Bank overdrafts

Bank overdrafts are denominated in MYR, bear interest at 0.75% (2021: 0.75%) above the bank's base lending rate ("BLR") from time to time and are secured over certain properties.

Trust receipts

Trust receipts are drawn for a period of up to 120 days which are renewable upon maturity and bear interest ranging from 7.26% to 7.51% (2021: 7.26%) per annum. The loan is secured by a fixed charge over certain properties.

Secured loan

- (a) Term loan 1 is repayable in monthly instalment, bear interest ranging from 4.01% to 4.71% (2021: 4.21%) and matures in 2027. The loan is secured by the following:
 - (i) by way of fixed charge over the leasehold land and building of a related company;
 - (ii) by joint and several guarantee of certain directors of a subsidiary; and
 - (iii) by corporate guarantee from a subsidiary
- (b) Term loan 2 is repayable in monthly instalment, bear interest at 3.0% (2021: 3.0%) and matures in 2025. The loan includes corporate guarantee by holding company Advanced Systems Automation Ltd.
- (c) Term loan 3 is repayable in monthly instalment, bear interest at 2% over banks prevailing 1,3,6,9 or 12 months' Effective Cost of Funds on monthly rests and mature in 2023. The loan includes corporate guarantee by holding company Advanced Systems Automation Ltd and charge over freehold land and building of a subsidiary company.

Unsecured loan

The term loans includes guarantees by Mr Seah Chong Hoe (shareholder, director and Chief Executive Officer of the Company).

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022

16. NET LIABILITIES VALUE

	Group		Company	
	31 Dec 22	31 Dec 21	31 Dec 22	31 Dec 21
Net liabilities value per share (cents)	<u>(0.012)</u>	(0.010)	<u>(0.009)</u>	(0.008)
Based on number of shares (in '000s)	<u>22,324,126</u>	22,324,126	<u>22,324,126</u>	22,324,126

Net liabilities value per share is calculated based on the equity attributable to the owners of the Company divided by the number of issued shares (excluding treasury shares).

17. SHARE CAPITAL

Group and Company	Group and Company			
	31 Dec 22 Number of shares ('000)	31 Dec 22 S\$'000	31 Dec 21 Number of shares ('000)	31 Dec 21 S\$'000
At beginning and end of the year	<u>22,324,126</u>	<u>148,841</u>	<u>22,324,126</u>	<u>148,841</u>

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

The Company did not hold any outstanding treasury shares, convertibles or subsidiary holdings as at 31 December 2022, and 31 December 2021.

18. OTHER RESERVES

(a) Merger reserve

Merger reserve represents the difference between the consideration paid and the net assets of a subsidiary restructured under common control in prior years.

(b) Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the Group's presentation currency.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022

19. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

	Group		Company	
	31 Dec 22 S\$'000	31 Dec 21 S\$'000	31 Dec 22 S\$'000	31 Dec 21 S\$'000
Financial assets measured at amortised cost				
Trade and other receivables	2,273	4,709	178	115
Cash at bank and on hand	4,426	3,151	375	138
	6,699	7,860	553	253
Financial liabilities measured at amortised cost				
Trade and other payables	14,985	14,709	15,368	14,182
Other liabilities	1,518	2,791	532	1,454
Lease liabilities	318	141	-	-
Bank Overdraft	748	799	-	-
Loans and borrowings	2,193	2,508	-	-
	19,762	20,948	15,900	15,636

20. SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year: -

	Group		Company	
	31 Dec 22 S\$'000	31 Dec 21 S\$'000	31 Dec 22 S\$'000	31 Dec 21 S\$'000
Transactions with ASTI Group (corporate shareholder of the Company): -				
Corporate support cost	(170)	(170)	(170)	(170)
Interest expenses on loan	(273)	(192)	(273)	(192)
Rental income	-	167	-	-
Utilities on premise	-	11	-	-
Interest expense on loans from a shareholder of the Company: -				
Interest expenses on loan	(61)	(40)	(61)	(40)
Transactions with a director who is also a shareholder of the Company: -				
Rental expense paid	(96)	(96)	-	-

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022

21. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services. The only reportable segment is the Equipment Contract Manufacturing Services (“ECMS”) segment, which is mainly engaged in precision engineering and fabrication assembly of parts for both semiconductor and non-semiconductor industries.

No operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022

21. SEGMENT INFORMATION (CONT'D)

Group	ECMS		Corporate expenses		Adjustment and elimination		Consolidated Total	
	31 Dec 22 S\$'000	31 Dec 21 S\$'000	31 Dec 22 S\$'000	31 Dec 21 S\$'000	31 Dec 22 S\$'000	31 Dec 21 S\$'000	31 Dec 22 S\$'000	31 Dec 21 S\$'000
6 months ended								
Revenue:								
- External sales (Note A)	6,061	8,814	-	-	-	-	6,061	8,814
- Inter-segment sales (Note B)	-	107	-	-	-	(107)	-	-
	6,061	8,921	-	-	-	(107)	6,061	8,814
EBITDA (Note C)	264	1,378	200	(1,171)	-	-	464	207
Depreciation on property, plant & equipment	(453)	(437)	-	-	-	-	(453)	(437)
Depreciation on right-of-use assets	(71)	(112)	-	-	-	-	(71)	(112)
Interest expense	(96)	(101)	(231)	(121)	41	39	(286)	(183)
Interest income	46	39	-	-	(41)	(39)	5	-
Profit/(loss) before tax	(310)	767	(31)	(1,292)	-	-	(341)	(525)
Income tax credits / (expense)	49	(278)	-	-	-	-	49	(278)
Segment results	(261)	489	(31)	(1,292)	-	-	(292)	(803)
Other information:								
Additions to non-current assets	446	463	-	-	-	-	446	463

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022

21. SEGMENT INFORMATION (CONT'D)

Group	ECMS		Corporate expenses		Discontinued operation		Adjustment and elimination		Consolidated Total	
	31 Dec 22	31 Dec 21	31 Dec 22	31 Dec 21	31 Dec 22	31 Dec 21	31 Dec 22	31 Dec 21	31 Dec 22	31 Dec 21
12 months ended	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue:										
- External sales (Note A)	15,042	18,990	-	-	-	57	-	(57)	15,042	18,990
- Inter-segment sales (Note B)	69	187	-	-	-	-	(69)	(187)	-	-
	15,111	19,177	-	-	-	57	(69)	(244)	15,042	18,990
EBITDA (Note C)	2,505	3,616	(684)	(2,358)	-	533	-	(533)	1,821	1,258
Depreciation on property, plant & equipment	(935)	(852)	-	-	-	-	-	-	(935)	(852)
Depreciation on right-of-use assets	(144)	(221)	-	-	-	-	-	-	(144)	(221)
Interest expense	(189)	(184)	(346)	(235)	-	-	71	58	(464)	(361)
Interest income	77	59	-	-	-	-	(71)	(58)	6	1
Profit/(loss) before tax	1,314	2,418	(1,030)	(2,593)	-	533	-	(533)	284	(175)
Income tax expense	(261)	(602)	-	-	-	-	-	-	(261)	(602)
Segment results	1,053	1,816	(1,030)	(2,593)	-	533	-	(533)	23	(777)
Other information:										
Additions to non-current assets	605	1,413	-	-	-	-	-	-	605	1,413
Segment assets	18,281	19,636	565	395	-	-	(1,166)	(524)	17,680	19,507
Segment liabilities	5,673	7,358	15,899	14,906	-	-	(1,166)	(524)	20,406	21,740

- A. The amounts relating to discontinued operation has been excluded to arrive at amounts shown in profit or loss as they are presented separately in the statement of comprehensive income with one-line item, "profit/(loss) from discontinued operation, net of tax".
- B. Inter-segment revenues are eliminated on consolidation.
- C. Elimination of unrealised gains and losses arising from inter-segment transactions.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022

22. EVENTS OCCURRING AFTER THE REPORTING YEAR

There are no known subsequent events which have led to adjustments to this set of financial statements.

OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022

OTHER INFORMATION

1. REVIEW

The condensed consolidated balance sheet of Advanced Systems Automation Limited and its subsidiaries as at 31 December 2022 and the related condensed consolidated income statement and statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the year then ended and certain explanatory notes have not been audited and reviewed.

2. WHERE THE FIGURES HAVE BEEN AUDITED OR REVIEWED, THE AUDITORS' REPORT (INCLUDING ANY MODIFICATIONS OR EMPHASIS OF MATTER)

Not applicable.

2A. WHERE THE LATEST FINANCIAL STATEMENTS ARE SUBJECT TO AN ADVERSE OPINION, QUALIFIED OPINION OR DISCLAIMER OF OPINION: -

- (a) Updates on the efforts taken to resolve each outstanding audit issue.
- (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable. The Group's latest audited financial statements for the financial year ended 31 December 2021 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

3. CHANGES IN TREASURY SHARES

Not applicable. The Company does not have any treasury shares.

4. CHANGES IN SUBSIDIARY HOLDINGS

Not applicable. The Company does not have any subsidiary holdings.

5. REVIEW OF PERFORMANCE OF THE GROUP

The post-tax profit for the financial year ended 31 December 2022 from the continued operations attributable to the Group is presented below:

Income Statement

The Group recorded revenue of S\$6.1 million in the 6 months ended 31 December 2022 ("2H2022"); a decrease of S\$2.7 million or 32% from S\$8.8 million in the previous corresponding year ended 31 December 2021 ("2H2021").

Revenue of S\$15.0 million for FY2022 was \$4.0 million or 21% lower when compared to the previous corresponding financial year ended 31 December 2021 ("FY2021"). The decrease in revenue mainly due to lower sales demand from customers.

Gross profit margin ("GPM") of the Group remained unchanged at 29% for both 2H2021 and 2H2022. GPM of the Group in FY2022 was 32%, which is 2% higher when compared to the GPM of 30% in FY2021. This was mainly due to changes in the sales mix and savings in sub-contractor costs in FY2022.

Selling and marketing ("S&M") costs in 2H2022 were lower by 20% compared to 2H2021 mainly due to lower sales activities during the second half of the financial year. S&M costs in FY2022 decreased by \$0.2 million or 17%, from S\$1.0 million in FY2021 to S\$0.8 million in FY2022. The decrease was mainly due to lower sales promotion expenses incurred in FY2022.

General and administrative ("G&A") costs in 2H2022 and FY2022 decreased by approximately 25% and 19% respectively as compared to the G&A costs incurred in 2H2021 and FY2021. The decrease was mainly due to absence of consultancy fees previously incurred for a potential acquisition in 2H2021 and FY2021 that has since been aborted.

OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022

5. REVIEW OF PERFORMANCE OF THE GROUP (CONT'D)

Finance costs in FY2022 increased by approximately 28% when compared to FY2021. The increase was mainly due to higher interest rates and the conversion of outstanding amounts due to related parties into new interest-bearing loans.

Compared to 2H2021 and FY2021, other expenses in 2H2022 and FY2022 decreased by \$0.5 million and \$0.4 million respectively due to foreign exchange gains and gains on disposal of property, plant and equipment and intangible assets.

The Group reported a net profit attributable to owners of the Company from continuing operations of S\$23,000 in FY2022 compared to a net loss of S\$0.8 million in FY2021.

Balance Sheet

Property, plant and equipment decreased by S\$0.8 million, from S\$7.8 million at 31 December 2021 to S\$7.0 million at 31 December 2022 mainly due to depreciation charged during the year and weaker currency translation.

The decrease in intangible assets from S\$2.5 million at 31 December 2021 to S\$2.1 million at 31 December 2022 is due to disposal of club membership and amortisation of customer relationships.

Right-of-use assets increased from \$0.2 million to S\$0.4 million and lease liabilities increased from S\$0.1 million to S\$0.3 million mainly due to a new hire-purchase lease and office lease renewal during the year.

Trade and other receivables decreased by S\$2.4 million, from S\$4.7 million at 31 December 2021 to S\$2.3 million at 31 December 2022 due to lower sales billings in FY2022.

Current trade and other payables decreased from S\$14.7 million at 31 December 2021 to S\$6.1 million at 31 December 2022 mainly due to settlement of trade payables and consultancy fees previously incurred in FY2021 for a potential acquisition that has since been aborted; and reclassification of existing shareholders' loans from current liabilities to non-current liabilities. Please refer to our announcements dated 13 June 2022 and 8 April 2022 respectively.

Non-current trade and other payables increased from S\$Nil as at 31 December 2021 to S\$8.8 million as at 31 December 2022 due to the non-current portion of an interest-bearing loan amounting to S\$1.5 million arising from the conversion of payroll and related cost and loans due to a shareholder, and non-current portion of amounts due to related parties amounting to \$7.3 million, that are payable after 2023 under a Settlement Agreement and an Addendum to a Loan Agreement announced on 13 June 2022 and 8 April 2022 respectively.

Total loans and borrowings and bank overdraft decreased by S\$0.4 million from S\$3.3 million at 31 December 2021 to S\$2.9 million at 31 December 2022 due to repayments during the year.

As at 31 December 2022, the Group reported net current liabilities of S\$1.5 million and net liabilities of S\$2.7 million.

Cash Flows

Net cash flow of S\$1.9 million was generated from operating activities in FY2022. This included an amount of S\$0.6 million utilised for the payments of interests and taxes.

Net cash flows used in investing activities amounted to S\$0.4 million was mainly due to purchase of property, plant and equipment of \$0.6 million, offset by proceeds from disposal of property, plant and equipment and intangible assets of \$0.2 million.

A total of S\$0.4 million was used in financing activities mainly for net repayment of bank borrowings and lease obligations.

Cash and cash equivalents amounted to S\$3.7 million as at 31 December 2022 as compared to S\$2.4 million reported as at 31 December 2021.

OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022

6. WHERE A FORECAST, OR PROSPECT STATEMENT, HAS BEEN PREVIOUSLY DISCLOSED TO SHAREHOLDERS, ANY VARIANCE BETWEEN IT AND THE ACTUAL RESULTS

Not applicable.

7. A COMMENTARY AT THE DATE OF THE ANNOUNCEMENT OF THE SIGNIFICANT TRENDS AND COMPETITIVE CONDITIONS OF THE INDUSTRY IN WHICH THE GROUP OPERATES AND ANY KNOWN FACTORS OR EVENTS THAT MAY AFFECT THE GROUP IN THE NEXT REPORTING YEAR AND THE NEXT 12 MONTHS

The Company expects its business in the next reporting period to remain comparative to the current reporting period. In view of the ongoing tension between US and China in the IT area, businesses relocating or expanding into other Asian countries may create opportunities for the Company. The Group will continue to search for viable business acquisitions and make necessary announcements in accordance with the requirements of the Catalist Rules.

8. DIVIDEND

(a) Whether an interim (final) ordinary dividend has been declared (recommended) Any dividend declared for the current financial year reported on?

None.

(b) Corresponding year of the immediately preceding financial year Any dividend declared for the corresponding year of the immediately preceding financial year?

None.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived

Not applicable.

(d) The date the dividend is payable

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined

Not applicable.

(f) If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision

No dividend has been declared or recommended for FY2022 as the Group still has accumulated losses as at 31 December 2022.

OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022

9. INTERESTED PERSON TRANSACTIONS

The Group had obtained a general mandate from shareholders for interested person transactions at an extraordinary meeting of the Company held on 19 February 2021. For details, kindly refer to the Company's announcement dated on 4 February 2021. The mandate was renewed at the Company's Annual General Meeting on 29 June 2022.

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under the shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	12 months ended 31 December 2022	12 months ended 31 December 2022
ASTI Holdings Limited ("ASTI") and its subsidiary of companies (the controlling shareholder of the Group)	Interest expense amounting to S\$273,000 ⁽¹⁾	Corporate Support Services fee amounting to S\$170,000
Dato' Loh Soon Gnee (controlling shareholder of the Group)	Nil ⁽²⁾	Nil
Yumei Plastic Pte Ltd (A wholly-owned company of Seah Chong Hoe, who is the Chief Executive Officer and controlling shareholder of the Group)	Nil ⁽³⁾	Nil

Note:

- (1) Relates to interest payable on the loan extended by ASTI Group. As at 31 December 2022, ASTI Group had provided an aggregate of S\$8.9 million loan (the "Loan") to the Group. The Loan which bears effective interest rates ranging from 1.99% to 3.46% is unsecured. The Group had obtained a specific IPT mandate from shareholders for the consolidated loan agreement entered into with ASTI Holdings Limited at an extraordinary meeting of the Company held on 19 February 2021. For details, kindly refer to the Company's announcement dated on 4 February 2021.
- (2) Relates to interest payable to Dato' Loh Soon Gnee on loans extended by Dato' Loh Soon Gnee to the Company for FY2022, amounting to S\$61,000, which was below S\$100,000.
- (3) Relates to office facility and storage services expenses for FY2022 amounted to S\$96,000 payable to Yumei Plastic Pte Ltd, which was below S\$100,000.

10. CONFIRMATION THAT THE ISSUER HAS PROCURED UNDERTAKING FROM ALL ITS DIRECTORS AND EXECUTIVE OFFICERS (IN THE FORMAT SET OUT IN APPENDIX 7H UNDER RULE 720(1) OF THE CATALIST RULES

We hereby confirm that we have procured all the required undertakings from all the Directors and Executive Officers of the Company in the format set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

11. DISCLOSURES ON ACQUISITION AND REALISATION OF SHARES PURSUANT TO CATALIST RULE 706A

There were no acquisitions or realization of shares in neither any of the Group's subsidiary and associated company nor incorporation of any new subsidiary or associated company by the Company or any of the Group's entities during FY2022.

OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022

12. IN THE REVIEW OF PERFORMANCE, THE FACTORS LEADING TO ANY MATERIAL CHANGES IN CONTRIBUTIONS TO TURNOVER AND EARNINGS BY THE BUSINESS OR GEOGRAPHICAL SEGMENTS.

Please refer to the notes to the condensed interim financial statements of the Group for the six months and full year ended 31 December 2022 as set out in Note 21.

13. A BREAKDOWN OF SALES

Group	31 Dec 22 S\$'000	31 Dec 21 S\$'000	change %
Revenue reported for first half year	8,981	10,176	-12%
Operating profit after tax before deducting minority interests in first half year	315	26	>100%
Revenue reported for second half year	6,061	8,814	-31%
Operating loss after tax before deducting minority interests in second half year	(292)	(803)	-64%

14. DISCLOSURE OF PERSON OCCUPYING A MANAGERIAL POSITION IN THE ISSUER OR ANY OF ITS PRINCIPAL SUBSIDIARIES WHO IS A RELATIVE OF A DIRECTOR OR CHIEF EXECUTIVE OFFICER OR SUBSTANTIAL SHAREHOLDER OF THE ISSUER PURSUANT TO RULE 704(10) IN THE FORMAT BELOW. IF THERE ARE NO SUCH PERSONS, THE ISSUER MUST MAKE AN APPROPRIATE NEGATIVE STATEMENT.

Pursuant to Rule 704(10), the Company confirms that there is no person occupying a managerial position in the Company or in any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Dato' Sri Mohd Sopiyan B Mohd Rashdi
Chairman
23 February 2023